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Fair Trade: An Imperfect Obligation?[1]

Abstract: Fair Trade is under fire. Some critics argue, for instance, that there is no obligation to purchase Fair Trade certified products and that doing so may even be counter-productive. Others worry that well-justified conceptions of what makes trade fair can conflict. Yet others suggest that the common arguments for Fair Trade cannot justify purchasing Fair Trade certified goods, in particular. This paper starts by sketching one common argument for Fair Trade and defends it against this last line of criticism. In particular, it argues that we should purchase Fair Trade certified goods because doing so benefits the poor even though there are other ways to alleviate poverty. It then considers how other common arguments for Fair Trade fare in light of similar criticism and concludes that they may well succeed.

Keywords: Fair Trade; poverty; exploitation; imperfect duty; consequentialism.

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Introduction

Fair Trade is under fire. Some critics argue, for instance, that well-justified conceptions of what makes trade fair can conflict.[2] Others worry that purchasing Fair Trade certified products may be counter-productive. Yet others suggest that the common arguments for Fair Trade cannot justify purchasing Fair Trade certified goods, in particular. This paper starts by sketching one common argument for Fair Trade and defends it against this last line of criticism.[3] In particular, it argues that we should purchase Fair Trade certified goods because doing so benefits the poor even though there are other ways to alleviate poverty.[4] It, then, considers how other common arguments for Fair Trade fare in light of this kind of criticism and concludes that they may well succeed. My response to the claim that we only have an imperfect obligation to reduce poverty so need not do so by purchasing Fair Trade goods, in particular, may generalize well

1 This paper earned a Special Mention in the 2017 Annual Jonathan Trejo-Mathys Essay Prize.

2 David Miller, 'Fair Trade: What Does It Mean and Why Does It Matter?' (2010), <https://www.politics.ox.ac.uk/materials/centres/social-justice/working-papers/SJ013_Miller_Fairtrade.pdf> (Accessed: 25 February 2018).

3 This argument is adapted from, and expands on the argument in: Nicole Hassoun, 'Fair Trade', in Deen Chaterjee (ed.), *The Encyclopedia of Global Justice* (Oxford: Oxford University Press), 333-336, p. 333; Nicole Hassoun, 'Free Trade, Poverty, and Inequality', *Journal of Moral Philosophy* 8/1 (2011a), 5-44, p. 5; Nicole Hassoun, 'Making Free Trade Fair' in Thom Brooks (ed.), *New Waves in Ethics* (United Kingdom: Palgrave Macmillan, (2011b), 231-258, p. 231; Nicole Hassoun, 'From Free Trade to Fair Trade', in Chris Brown and Robyn Eckersley (eds.), *Oxford Handbook of Political Theory* (forthcoming); Thom Brooks, 'Is Fair Trade a Fair Deal?', *Cambridge Review of International Affairs* 29/2 (2016), 548-561, p. 248; Andrew Walton, 'The Common Arguments for Fair Trade', *Political Studies* 61/3 (2012a), 691-706, p. 691; Andrew Walton, 'Consequentialism, Indirect Effects and Fair Trade', *Utilitas*. 24/1 (2012b), 126-138, p. 126; Nicole Hassoun, 'Beyond Globalization and Global Justice: Development Theory and Practice', *Analysis* 74/1 (2014), 119-134.

4 Nicole Hassoun, 'Free Trade, Poverty, and the Environment', *Public Affairs Quarterly* 22/4 (2008), 353-380, p. 353; Nicole Hassoun, 'Free Trade and Individual Freedom', *Environmental Ethics* 31/1 (2009), 51-66, p. 51; Hassoun (2011a) p. 5; Hassoun (2011b), p. 231.

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beyond debates about Fair Trade. After all, some raise similar challenges to other arguments for particular ways of reducing poverty (and fulfilling other moral obligations). In any case, the reply I provide goes beyond that others have offered in my defense.[5] It is not just that we have a pro tanto reason to purchase Fair Trade goods given that doing so can help us fulfill our moral obligations. In the actual world, we have strong, clear, and often definitive reason to do so.

An Argument for Purchasing Fair Trade

Fair Trade programs benefit the poor. There is a lot of evidence to this effect.[6] Fair Trade farmers benefit from better access to training, credit, and support programs.[7] Participating in Fair Trade cooperatives can help farmers develop their organizational capacities to create better markets for their goods.[8] Such co-operatives give farmers essential information and bargaining power and improve welfare by providing education and credit.[9] Fair Trade farmers are also less vulnerable to shocks, and participating in Fair Trade networks can improve gender equality.

Fair Trade farmers often receive higher prices for their goods and this money can help them in many ways.[10] Fair Trade coffee producers often make more than organic producers and their competitors.[11] When Fair Trade farmers make more, they may be less vulnerable to market crises and this may help them retain their lands. Some find that Fair Trade farmers are more likely to secure

5 Brooks (2016), p. 248.

6 Laura Raynolds, 'Poverty Alleviation Through Participation in Fair Trade Coffee Networks: Existing Research and Critical Issues', *The Ford Foundation* (2002), 1-31; Christopher Bacon, 'Confronting the Coffee Crisis: Can Fair Trade, Organic, and Specialty Coffees Reduce Small-Scale Farmer Vulnerability in Northern Nicaragua?', *World Development* 33/ 3 (2005), 497-511, p. 497.

7 Douglas Murray, Laura Raynolds and Peter Leigh Taylor, 'One Cup at a Time: Poverty Alleviation and Fair Trade Coffee in Latin America' (2003), < https://cfat.colostate.edu/wp-content/uploads/sites/63/2009/09/One-Cup-at-a-Time.pdf> (Accessed: 26 February 2018).

8 Raynolds (2002); Bacon (2005), p. 497; Muriel Calo and Timothy Wise, 'Revaluing Peasant Coffee Production: Organic and Fair Trade Markets in Mexico' (2005), <http://ase.tufts.edu/gdae/pubs/rp/revaluingcoffee05.pdf> (Accessed: 26 February 2018); Anna Milford, 'Coffee, Co-operatives and Competition: The Impact of Fair Trade', *Chr. Michelsen Institute Reports* 2004/8 (2004), 1-32; Loraine Ronchi, 'The Impact of Fair Trade on Producers and Their Organisations: A Case Study with Coocafé in Costa Rica,', PRUS Working Papers 11, Poverty Research Unit (Sussex: University of Sussex) (2002); Peter Taylor, 'Poverty Alleviation through Participation in Fair Trade Coffee Networks: Synthesis of Case Study Research Question Findings' (2002), Center for Fair & Alternative Trade, Colorado State University Working Paper, <https://cfat.colostate.edu/wp-content/uploads/2009/09/Research-Findings.pdf> (Accessed: 3 January 2018); Sandra Imhof, and Andrew Lee, 'Assessing the Potential of Fair Trade for Poverty Reduction and Conflict Prevention: A Case Study of Bolivian Coffee Producers' (2007), Swisspeace Working Paper, <http://www.swisspeace.ch/fileadmin/user_upload/Media/Publications/Journals_Articles/Imhof__Sandra__Assessing_the_Potential_of_Fair_Trade__extended.pdf> (Accessed: 17 May 2018).

9 Many of these studies do not do enough to establish causation. Nevertheless these are amongst the best available studies (researchers have just started evaluating Fair Trade programs) and they provide at least some evidence in favor of the hypothesis that Fair Trade can benefit the poor. See: Milford (2004).

10 Patrick McMahon, '"Cause Coffees" Produce a Cup with an Agenda', *Journal of International Development* 24 (2012), 159-172.

11 Calo and Wise (2005), Milford (2004); Ronchi (2002); Taylor (2002); Imhof, and Lee (2007).

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adequate water, food, education, and housing as well as better job prospects and social capital.[12] Some find the Fair Trade farmers acquire more valuable land and secure larger animal stocks as well as other agricultural inputs.

Some criticize Fair Trade impact evaluations, but they are becoming more and more sophisticated. Often the evidence is based on surveys of Fair Trade participants and some worry that even the more rigorous evaluations do not isolate the cause of Fair Trade farmers' success.[13] Many studies fail to control for factors that could explain their results and evaluations vary in breadth and quality. Some are, however, quite good.[14] Consider some quasi-experimental evaluations commissioned by the Center for International Development Issues (CIDI) in the Netherlands. The CIDI commissioned a comprehensive evaluation of eight Fair Trade programs looking at the effect of Fair Trade in different commodities in different locations. Each tried to establish causation with a sophisticated form of propensity score matching.[15] The authors found that most programs increased participants' access to food and credit. In many cases, farmers were also able to invest more in housing, land, and education than otherwise equivalent farmers not engaged in Fair Trade. A few studies found that once Fair Trade products made up a significant portion of the market, prices and wages rose throughout the region.[16]

There are also some criticisms of Fair Trade's economic impact. Often participating in Fair Trade networks is not sufficient to help small scale farmers avoid debt and escape poverty.[17] Moreover, the evidence that they reduce gender inequality is mixed. Some complain that Fair Trade does not help the poorest farmers in the poorest countries. In some cases, participating in Fair Trade networks makes little difference to farmers' income, though it brings benefits in terms of reducing vulnerability, or improving infrastructure.[18] In others, Fair Trade farmers only gain economic benefits from selling a greater volume of

12 Murray (2003).

13 Howard White and Michael Bamberger, 'Introduction: Impact Evaluation in Official Development Agencies', *IDS Bulletin*. 39/1 (2009), 1-11.

14 For discussion of different kinds of empirical evidence see: Nicole Hassoun, 'Empirical Evidence and the Case for Foreign Aid', *Public Affairs Quarterly* 24/1 (2010), 1-20.

15 For discussion of different kinds of empirical evidence and experimental methodology see: Hassoun (2010).

16 The material regarding fair trade's impact was adapted from: Nicole Hassoun, *Globalization and Global Justice: Shrinking Distance, Expanding Obligation* (Cambridge: Cambridge University Press, 2012).

17 S. Lyon and M. Moberg. 'What's Fair? The Paradox of Seeking Justice through Markets' in S. Lyon and M. Moberg (eds.), *Fair Trade and Social Justice: Global Ethnographies* (New York: New York University Press, 2010), pp. 1-24; Bradley Wilson, 'Indebted to Fair Trade? Coffee and Crisis in Nicaragua Article', *Geoforum* 41/1 (2010): 84-92 doi: 10.1016/j.geoforum.2009.06.008; Joni Valkila, 'Fair Trade Organic Coffee Production in Nicaragua – Sustainable Development or a Poverty Trap?', *Ecological Economics*, 2009, vol. 68, issue 12, 3018-3025; and Ruerd Ruben and Ricardo Fort, 'The Impact of Fair Trade Certification for Coffee Farmers in Peru', *World Development* 40/3 (2012), 570-582. https://doi.org/10.1016/j.worlddev.2011.07.030.

18 Raluca Dragusanu, Daniele Giovannucci, and Nathan Nunn, 'The Economics of Fair Trade', *Journal of Economic Perspectives* 28/3 (2014), 217–236.

product than farmers who are not part of a Fair Trade network.[19] Sometimes Fair Trade sets a minimum price threshold so there is little direct benefit from participating in Fair Trade networks.[20] Even in these cases, however, Fair Trade may boost welfare in the larger community helping farmers more generally.[21]

Since purchasing Fair Trade certified goods (generally) benefits the poor, however, it is plausible that we relatively affluent members of developed countries who have disposable income (henceforth simply *we*) should purchase these products. That is, we have a pro tanto obligation to purchase these goods. This obligation may be defeated in some cases. If someone cannot afford to purchase Fair Trade certified goods, or there are other conflicting obligations at stake, there may be no obligation to do so. Similarly, if someone has already done their fair share in helping the poor, they may not have to purchase Fair Trade goods. Nonetheless, the average consumer in rich countries should purchase Fair Trade goods.[22]

It is possible to defend the moral principle underlying this argument – that we should purchase Fair Trade goods if doing so helps the poor at relatively low cost – from many different perspectives – consequentialist and non-consequentialist. One does not have to be a utilitarian, concerned only to maximize welfare, to accept it. Like Peter Singer's famous argument for aid in 'Famine, Affluence, and Morality', the strength of this one lies precisely in the fact that it is possible to embrace this principle from many different moral perspectives.[23]

The Consequentialist Argument

In 'The Common Arguments for Fair Trade' and 'Consequentialism, Indirect Effects and Fair Trade' Andrew Walton provides some reasons to worry about arguments along the lines above.[24] He 'does not challenge the claim that purchasing Fair Trade goods is one acceptable way to meet a general moral obligation'.[25] Rather, Walton says that Fair Trade's advocates have to show

19 Valkila (2009); Wilson (2010); Ruben and Fort (2012).

20 Bradford L. Barham and Jeremy Weber, 'The Economic Sustainability of Certified Coffee: Recent Evidence from Mexico and Peru', *World Development*, 40/6 (2012), 1269-1279.

21 Ruben and Fort (2012).

22 Nicole Hassoun, 'Fair Trade', in Deen K. Chatterjee (ed.) *Encyclopedia of Global Justice* (Springer: Berlin, 2011), 333-336; Hassoun (2009), p. 51; Hassoun (2011a), p. 5; Nicole Hassoun 'Individual Responsibility for Promoting Global Health: The Case for a New Kind of Socially Conscious Consumption', *Journal of Law, Medicine and Ethics* 44/2 (2016), 319-331, p. 319.

23 Peter Singer, 'Famine Affluence and Morality', *Philosophy and Public Affairs* 1/3 (1972), 229-243, p. 229. Walton (2012b) points out that it is not clear how one can establish that Fair Trade is part of the best development strategy for poor countries. See Malgorzata Kurjanska, and Mathias Risse, 'Fairness in Trade II: Export Subsidies and the Fair Trade Movement', *Philosophy, Politics, and Economics* 7/1(2008), 29-56, p. 29. Kurjanska and Risse argue that it must be, but it is possible to give an argument for this conclusion that is at least as strong as the one they offer against this idea. See: (Hassoun, 2011b).

24 Walton (2012a), p. 691; Walton (2012b), p. 126.

25 Walton (2012a), p. 691.

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that Fair Trade is superior to the other things we might do to fulfill our moral obligations. Walton believes advocates intend to show that people should purchase Fair Trade goods 'in particular', not that they should purchase Fair Trade goods or do something else to fulfill their general duties to, e.g., reduce poverty.[26]

Using the example of poverty alleviation, here is Walton's [27] reconstruction of arguments along the lines above:

1. People should reduce poverty.
2. Purchasing Fair Trade goods reduces poverty.[28]
3. If purchasing Fair Trade goods reduces poverty, people should purchase Fair Trade goods (in particular).[29]

C. People should purchase Fair Trade goods (in particular).

Walton says the fact that Fair Trade is sufficient to achieve morally valuable goals does not entail that it is necessary to do so. So, he says, there is no obligation to purchase Fair Trade, in particular. Walton believes some obligations are imperfect. Imperfect obligations leave their obligation-bearers with wide leeway in deciding how to fulfill them. Many believe, for instance, that duties of beneficence are imperfect. We have to help some people – e.g. escape poverty – but we can decide how we fulfill the obligation to help. We may do no wrong in giving to Oxfam rather than the Red Cross, for instance. Walton extends this line of thought to Fair Trade. Fair Trade is one way of helping the poor, but it is not the only way. We might, for instance, reduce poverty by giving to charity instead. Walton can acknowledge that there are many things that we might have to take into account in deciding what to do such as the effectiveness of our aid. Still, he maintains that we have wide scope for free choice.

Walton considers the reply that we should do everything that we can to fulfill our obligations but says that 'ultimately ethical action amounts to making ethical choices between options'.[30] He allows that we could both purchase Fair Trade and give to charity but, he says, we are not required to fulfill our obligations to the poor in any particular way. If one reduces poverty by giving to charity, one does not fail to fulfill the obligation if one does not also buy

26 Walton (2012b), p. 126.

27 Walton (2012a), p. 691.

28 Walton notes that the empirical premise on some ways of construing this argument is implausible. It is unlikely, for instance, that Fair Trade literally helps the worst off since some people do not even own land or have jobs (e.g. as Fair Trade famers).

29 Walton actually omits the third premise and accuses those who offer this argument of affirming the consequent but he is trying to argue that Fair Trade must be necessary for poverty reduction and this strikes me as a much more charitable reconstruction compatible with his critique (as it is explicitly endorsed by some proponents of the argument see: Hassoun (2011).

30 Walton (2012a), p. 691.

Fair Trade. Walton says Fair Trade's advocates must show that purchasing Fair Trade certified goods is necessary to fulfill our moral obligations. He believes this claim is implausible.

It is important to distinguish Walton's argument from a few others: First, his complaint is not that the obligation to purchase Fair Trade weighs less than another obligation (e.g. the obligation to give to charity). He can admit that these are both obligations that have different weights or force. His question is whether we should understand ourselves to be under an obligation (however weighty) to purchase Fair Trade, in particular. If our obligation is more general, he thinks we can fulfill it by doing anything in the set of actions that reduces poverty. Second, his complaint does not hang on the extent of the obligation at issue. We may have to sacrifice greatly (or just a bit) to fulfil our obligations to the poor. The question is about the means by which we can fulfill this obligation. Walton insists that there is no obligation to purchase Fair Trade goods, in particular. Even if we must sacrifice a lot, we do not have to do so in that way.

I believe Walton intends to reject the third premise in the above argument for Fair Trade as follows:

1. The obligation to alleviate poverty can be fulfilled in many ways.
2. If the obligation to alleviate poverty can be fulfilled in many ways, and Fair Trade is no more effective at reducing poverty than the alternatives, it is not the case that if purchasing Fair Trade goods reduces poverty, people should purchase Fair Trade goods (in particular).
3. It is not the case that that if purchasing Fair Trade goods reduces poverty, people should purchase Fair Trade goods (in particular).

At least, this conclusion should follow as long as Fair Trade is no more effective at reducing poverty than the alternatives.

The second premise in the proposed reconstruction of Walton's argument is not obviously correct. Why does the fact that there are other ways of alleviating poverty that are at least as effective as Fair Trade provide reason to question the claim that if purchasing Fair Trade goods reduces poverty, we should purchase Fair Trade goods, in particular? Fair Trade's advocates can allow that people have to give to charity and do many other things *as well as purchase Fair Trade goods*. The argument for purchasing Fair Trade goods does not say that we need *only* purchase these goods. In other words, it suggests that it is necessary, it does not claim that it is sufficient, to purchase Fair Trade. So, to make his case, Walton must argue that the fact that there are other effective ways to reduce

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poverty entails that there is no obligation to purchase Fair Trade certified goods in particular. Walton does not provide the requisite argument. He simply asserts that, as long as we do something (effective) to alleviate poverty, we need not do other things. The argument for Fair Trade proposed is (sometimes explicitly) conditional on the claim that if Fair Trade can alleviate poverty (etc.), we should implement it.[31] Walton points this out but does little to challenge the contention.

Some argument is necessary to make the case for any particular way of understanding our obligations to alleviate poverty. The fact that something is a good means to that end does not always generate an obligation to employ it but it may do so in some cases. There are many possible ways of understanding our obligations; our obligations may be perfect, imperfect, or somewhere in between. But one must make the case for any particular way of conceiving of these obligations.

I believe, the truth probably lies somewhere in between the extremes: in the conditions that we face in the actual world, I believe that the ways in which we can legitimately fulfill our obligations to reduce poverty are often limited, though we still have some room for choice. Although these obligations are not perfect, we might call them *highly structured*. Consider some of the factors that plausibly structure our obligations. When they are demanding, obligations are often highly constraining. There is often very little scope for free choice about how to fulfill them. This is particularly likely in cases of grave institutional failure when individuals lack the kind of freedom under institutional rules that just institutions should help secure. The fact that people fail morally may also help structure our obligations by generating other obligations in non-ideal theory. Our obligations may change depending on what others are contributing. When people do not do what they should, for instance, others often have to pick up the slack.[32] Our obligations may also be more constraining when other obligations are in play. Some ways of fulfilling obligations may make it impossible to fulfill other obligations, for instance. Alternately, we may have to fulfill some obligations before fulfilling other ones.[33] There are many other moral constraints that our actions must satisfy as well. So, it is not at all obvious that we can just help people as we like.

31 Hassoun (2008).

32 Although some will deny that we must take up the slack when that institutions and/or other agents have failed to fulfill obligations, this claim is plausible on both consequentialist and non-consequentialist theories see: Anja Karnein, 'Putting Fairness in Its Place: Why There Is a Duty to Take Up the Slack', *Journal of Philosophy* 111/11 (2014), 593-607, p. 593. Moral failure often limits our options for many reasons as well. Unmet obligations can create new obligations (e.g. those who do not receive adequate food may become sick and require additional assistance from others). Sometimes when others have not fulfilled their obligations, that limits our ability to fulfill obligations for other reasons (we might have had more time in which to act or have been able to act in different ways).

33 Competing obligations often limit the ways in which we can fulfill other obligations for other reasons as well. Competing obligations may take priority, so we may not be able to fulfill these obligations as quickly or as well. Alternately, we may have fewer resources available to fulfill some obligations when we also have to fulfill others.

Many of the factors that structure our obligations suggested above may be in play when it comes to our obligations to alleviate poverty and, if so, it is particularly plausible that individuals have little choice regarding how to fulfill these obligations. Obligations to aid are plausibly quite demanding. Poverty is devastating. Ours is a context of crushing institutional failure that leaves much of the world's population living on the equivalent of what two-dollars a day buy in the US. Moreover, other individuals have not succeeded in helping the global poor secure what they need. As a result, millions of people die every year from easily preventable poverty-related causes.[34] Finally, there are many obligations that may compete with, and shape how we can fulfill, obligations to alleviate poverty – e.g. obligations to combat climate change or prevent devastating diseases. In short, in our very imperfect world, obligations to alleviate poverty may be very demanding, institutions and other individuals have failed to adequately address the poverty problem, and other obligations are in play as well. So, obligations to ameliorate poverty may be so highly structured that there is little free choice about how to fulfill them. It may not be enough, for instance, to give even a significant portion of one's income to charity. It is less clear that one can just purchase Fair Trade certified goods. For the average rich country consumer, even doing both may not suffice. At least, it is not plausible that most people are doing so many other things for the poor that they are no longer obligated to purchase Fair Trade products. Note that this response goes well beyond the defense of my argument for Fair Trade that Thom Brooks provides against Walton's critique in 'Is Fair Trade a Fair Deal?' Previously, I have only argued that we have a pro tanto reason to purchase Fair Trade goods given that doing so can help us fulfill our moral obligations. In the actual world, however, I believe we often have definitive reason to do so.[35]

34 Center for Disease Control (CDC), '*World TB Day, March 24th 2005*', (2005), <https://www.cdc.gov/mmwr/preview/mmwrhtml/mm5410a1.htm> (Accessed: 17 May 2018); UNAIDS, 'World AIDS Day 2004: Women, Girls, HIV and AIDS', (2004), <http://iris.wpro.who.int/bitstream/handle/10665.1/5568/Women_Girls_HIV_AIDS_eng.pdf> (Accessed: 17 May 2018); UNICEF, 'Millennium Development Goals: Combat AIDS/HIV, Malaria, and Other Diseases', (2004), <http://www.unicef.org/mdg/disease.html> (Accessed: 25 February 2018).

35 It is worth quoting Brook's response in my defense at length here as I do believe it is compelling but just want to take this argument one step further here:

> Andrew Walton claims that consequence-oriented arguments for Fair Trade, including by Hassoun, adhere to the following structure: 'Individuals should advance X' ('normative claim') and 'by purchasing Fair Trade goods, individuals advance X' ('factual claim') so 'individuals should purchase Fair Trade goods in particular' ('conclusion') see: Walton (2013), pp. 693; 692; 695; 696; 699. Walton says this argument lacks 'a smooth pathway to defending the conclusion': this is because even if purchasing Fair Trade is 'sufficient to meet a moral demand' Fair Trade purchases represent one of many possible ways to satisfy this demand and so the conclusion does not follow, see: Walton (2013), p. 693. Similar claims appear in Walton (2012). This argument is incorrect—at least with respect to the specific claims made by Hassoun, who is one of Walton's first targets for criticism (2012). Hassoun's argument does not lead to the conclusion that, in Walton's words, 'individuals should purchase Fair Trade goods in particular', see: Walton (2012), p. 692. Instead, her argument is that Fair Trade products provide individuals with reasons to purchase them, such as to advance certain goals that are normatively justified.' See: Brooks (2016), p. 556.

Walton would likely question the idea that demandingness limits the ways in which we can fulfill our obligations, but it does strike me as a reasonable empirical generalization (and, although there is not space to do so here, I would make a similar empirical case for most of the other conditions in this account).[36] Consider an analogy: Suppose I have to volunteer my time. There might be a lot of organizations willing to have me volunteer a few hours per week in my town, but I might have to volunteer for a lot of different organizations if I have to volunteer for 20 hours per week. My thought is that obligations to alleviate poverty are similar – I will only buy so much Fair Trade coffee, so I will likely have to do other things too if I choose to do this and have demanding obligations to aid the poor. Of course, I could easily give all my money to charity. But, if I have to push myself to give even 5% of my income to charity and have demanding obligations to give the equivalent of 20% of my income in aid, I will have to do a lot of other things too. So I might very well have to purchase Fair Trade certified goods (and volunteer a bit etc.) to fulfill demanding obligations to alleviate poverty.

It is open to Walton to deny that we have very demanding obligations to aid the global poor, though he offers no such argument. There are many ways he might deny that obligations to aid the poor are demanding. He could argue that we only have demanding obligations to compatriots or that we do not have to sacrifice very much (in general) to aid others. But, one should not be insensitive to the importance of individuals' claims to be free from desperate poverty, and Walton offers no argument either way on this point. Even if he denied the existence of demanding obligations to aid the poor, that would leave most of the preceding argument untouched. Our obligations to provide such aid might still be highly structured because there is institutional failure, other obligations are in play, and agents are imperfect etc.

Similarly, Walton could argue that we are obligated to aid in the most effective way possible, but he does not do so. He might argue that we must practice maximally effective altruism, so we would do better to give to charity rather than purchase Fair Trade certified goods. After all, a great deal of the Fair Trade premium does not reach the global poor. Walton does point out that we need to take into account the indirect effects of our efforts to aid the poor. It may

36 This may not be the main way in which deontic constraints limit the ways in which we can (permissibly) fulfill obligations if some simply take precedence over or explicitly limit the ways in which it is permissible to fulfill other obligations. A mother may, for instance, have to give preference to helping her child over other (even very poor) children or adults. This may constrain the ways in which she can fulfill her obligations to the global poor. That is, she may not only be left with fewer resources or less time for helping other children, she may simply have to help her child first. Furthermore, there are important interaction effects between several of the conditions that can constrain our obligations. In some cases, institutional failure (or the failure of others) to help fulfill obligations limits the ways in which we can fulfill obligations precisely because it makes them more demanding.

well be more effective to give to Oxfam or another major charity. But, again, Walton does not offer an argument for maximally effective altruism. He simply asserts that Fair Trade's advocates must show that Fair Trade is more effective at reducing poverty than the alternatives. Fair Trade advocates may not be maximizing consequentialists. At least, nothing in the Fair Trade advocates' argument above commits them to maximizing consequentialism. That said, Fair Trade may prove to be amongst the most effective ways of alleviating poverty. After all, it promotes development and self-reliance rather than aid dependence.[37] But even if there are more effective ways of alleviating poverty, this line of thought goes against the spirit of Walton's argument. He thinks we have great scope in how we fulfill our obligations to aid the poor. There is some tension between this claim and the idea that we must do so in the most effective ways possible.

In other words, Walton might object to the third premise of the argument for purchasing Fair Trade goods, but he must provide some much more significant reason to do so. Walton cannot just appeal to the general idea that duties of beneficence are imperfect to justify his conclusion. Even if all imperfect obligations must at least allow sufficient latitude to accommodate conflicting obligations, partiality, and choice they can be more or less perfect. It is not plausible that we have complete freedom to benefit others as we like.

Saying Walton must explain why the obligation to purchase Fair Trade goods is imperfect to undercut the third premise of the argument for purchasing Fair Trade goods above, does not require denying the following: If one can either (1) buy more expensive Fair Trade products, or (2) buy less expensive products, and donate the savings to charity, and (2) is more effective at reducing poverty, one would do better to do (2) than (1). The necessary claim is just this: at least as long as one does not do (2), one should do (1). This is so even if one also has a pro tanto obligation to do (2) and doing (2) eliminates the obligation to do (1). Similarly, if one could do (1) or (3) give even more money to charity, perhaps one should do (3). Still, if one does not do (2) or (3), one should do (1). Moreover, one may have to do (1) and (3) rather than (2) or (3) alone. At least this is so if one has not already fulfilled one's obligation to alleviate poverty.

The point of the above argument for purchasing Fair Trade is not to establish that we should do so unconditionally, but that there is some reason to do so. If we have already done enough to fulfill our obligations, there are better things we should do, or we just do not have to do anything in particular, perhaps

37 Ruerd Ruben, *The Impact of Fair Trade* (Wageningen, Netherlands: Wageningen Academic Publishers, 2008), p. 150.

that can undercut the obligation. In the actual world, I believe the obligation is rarely undercut. But, at least in the absence of arguments for any of these conclusions, we have a pro tanto obligation to purchase these goods. Because the above argument for Fair Trade is conditional, it can avoid some of the most pressing objections.

The Exploitation Argument

Walton gives a few other reasons to worry about arguments for an obligation to purchase Fair Trade certified goods, however, that are worth considering in this context. Considering them will illustrate some other problems with Walton's approach.[38] Walton considers, for instance, something like the following argument for an obligation to purchase Fair Trade certified goods:

1. Individuals should not exploit people or view others as mere means.
2. Individuals do not exploit people or view others as mere means if, and only if, they purchase Fair Trade goods.
3. Individuals should purchase Fair Trade goods, in particular.[39]

Walton says that this case may be 'the strongest case that can be made for' purchasing Fair Trade, in particular.[40] He believes there may be some successful argument along these lines available.[41] However, he worries that 'employing such an argument is not as straightforward as it sounds'.[42] Walton says there might be some reasons for being troubled by exploitation that can be addressed in other ways or that do not apply in a non-ideal world.[43] He points out that the essential claim is that we treat people as mere means or exploit them if we fail to purchase Fair Trades goods, but market prices are not clearly exploitative.

Once again, Walton's reconstruction of Fair Trade proponents' argument does not strike me as the most charitable interpretation. More plausibly, the key normative idea is that *if* purchasing Fair Trade certified goods will help us avoid complicity in unjustifiably exploiting people, there is some reason to conclude that people should purchase these goods. A better version of the full argument may go something like this:

1. Individuals should not be complicit in unjustifiable exploitation.
2. Individuals often become complicit in unjustifiable exploitation when they purchase goods from people who are not paid a living wage.

38 He considers a few other arguments I will set aside here, though they too may support this paper's conclusion.
39 Walton (2012a), p. 10-12.
40 *Ibid*, p. 701.
41 *Ibid*, p. 703.
42 *Ibid*, p. 701.
43 *Ibid*, p. 702.

3. Fair Trade programs generally pay people a living wage.[44]
4. Since individuals often become complicit in unjustifiable exploitation when they purchase goods from people who are not paid a living wage and Fair Trade programs generally pay people a living wage, Fair Trade can often help them avoid complicity.
5. If Fair Trade can often help individuals avoid complicity in unjustifiable exploitation, and individuals should avoid this complicity, individuals should purchase Fair Trade goods, in particular.

C. Individuals should purchase Fair Trade goods, in particular.

We may have to do other things as well to avoid complicity in unjustifiable exploitation. The mere possibility that there are some things that we could do to alleviate concern with unjustifiable exploitation besides purchasing Fair Trade goods does not suffice to undercut the argument. We may be obligated to purchase Fair Trade goods as well as do many other things. Moreover, the idea that purchasing Fair Trade certified goods will help us to avoid complicity in unjustifiable exploitation is plausible for standard kinds of Fair Trade *in the actual world* if we are complicit in such exploitation when we purchase goods from people who are not paid a living wage. There may be other things we could do to prevent this exploitation but, at least as long as we are not doing those things, we should purchase Fair Trade goods.

Making the case that we *are* complicit in unjustifiable exploitation if we purchase things from people who are not paid a living wage requires significant argument.[45] Although there is good reason to believe Fair Trade generally offers people a living wage,[46] one could argue that the effects of our action are too remote to implicate us in any exploitation at the other end of the production chain. Alternately, one might not think we are complicit in exploitation if we purchase things from people who are not paid a living wage as long as they are willing to work for less. Moreover, exploitation may sometimes be justifiable.[47] Even if one thinks we are complicit in exploitation if we purchase goods from people who are not paid a living wage, there may be cases where we should

44 Richard Anker and Martha Anker, 'A Shared Approach to Estimating Living Wages: Short Description of the Agreed Methodology', *ISEAL Alliance Living Wage Working Group*, London, (2013), <https://www.fairtrade.net/fileadmin/user_upload/content/2009/standards/documents/GLWC_Anker_Methodology.pdf> (Accessed: 17 May 2018); Fair Trade International, 'New Living Wage Benchmarks Point the Way Forward' (2014) <http://www.fairtrade.net/new/latest-news/single-view/article/new-living-wage-benchmarks-point-the-way-forward.html> (Accessed: 25 February 2018).

45 He considers the idea that Fair Trade might guarantee a fair price. He says that it would not matter if people receive a fair price if their needs are met but that is not the kind of world we live in (advocates of Fair Trade believe we have an obligation to purchase Fair Trade certified goods in our world.

46 Anker and Anker (2013); Fair Trade International (2014).

47 Though, surely those who think exploitation is permissible would bear the burden of proof for making the case.

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do so. The alternative may be worse. If we insist on purchasing things from people who are paid a living wage in some circumstances, they may have no employment whatsoever. In other cases, people may only have the option of worse forms of employment – like prostitution. We may do better to exploit people than to refrain from doing business with them altogether.

Although I happen to believe the exploitation argument works, defending the idea that we are generally complicit in unjustifiable exploitation when we purchase things from people who are not paid a living wage now would take us too far afield. The point I want to make here is just that Walton's objection to the key normative claim that supports purchasing Fair Trade fails. The claim is conditional. *If* Fair Trade can often help individuals avoid complicity in unjustifiable exploitation, and individuals should generally avoid this complicity, individuals should generally purchase Fair Trade goods, in particular. The proposed version of the exploitation argument provides some reason to purchase Fair Trade certified goods, even if there are other ways of avoiding complicity in unjustifiable exploitation. The argument for purchasing Fair Trade above is most charitably supposed to establish only a pro tanto obligation. It provides the philosophical basis for concluding that people should purchase Fair Trade certified goods if empirical inquiry establishes that people are complicit in unjustifiable exploitation (on the right conception of complicity) and have not done anything else to avoid complicity.

The Hypothetical Consent Rights-Based Argument

Finally, Walton considers a hypothetical consent rights-based argument for an obligation to purchase Fair Trade certified goods. Here is the basic idea:

1. People have basic rights (e.g. to decent working conditions or a fair price for their products).
2. Individuals can avoid violating (or help protect or promote) these rights only if they purchase Fair Trade goods.
3. So individuals should purchase Fair Trade goods, in particular.[48]

Walton considers one way of cashing out the idea behind this rights-based argument in terms of hypothetical consent. We should choose policies for society by considering to what people in some kind of original position would agree. Presumably people would not agree to indecent working conditions or unfair prices etc.

Walton objects that people might accept being paid less than the living wage Fair Trade guarantees if they can meet their needs in other ways. Walton says

48 Walton (2012a), p. 10.

rights need not be violated even if we do not buy Fair Trade goods. There are other things we can do to prevent rights from being violated.

Walton's interpretation of the argument for Fair Trade above is no more charitable than his construal of the other arguments he considers. The most promising version is something like this:

1. People have basic rights (e.g. against poverty, to decent working conditions, or a fair price for their products).[49]
2. Individuals can avoid violating (or help protect or promote) these rights if (not only if) they purchase Fair Trade goods.
3. So individuals should purchase Fair Trade goods, in particular.

This version of the argument maintains only that purchasing Fair Trade goods is a sufficient condition for helping to protect or promote rights, not a necessary condition. Moreover, given that we are not doing the other things that would be necessary to protect individuals' basic rights, it is plausible that we have at least a pro tanto obligation to purchase Fair Trade goods.

Arguments about Fair Trade are not made in a vacuum. They are about the real world and tell us what to do here and now. The fact that someone might not have to purchase Fair Trade if things were better (if people could meet their needs in another way) or if they were doing something else to prevent or compensate for exploitation, true as it may be, is simply irrelevant to the arguments for Fair Trade as they are intended to apply to this world. In our, very non-ideal, world individuals have a pro tanto obligation to purchase Fair Trade goods (in particular). I will not repeat the arguments above for maintaining that these obligations may be highly structured, if not perfect.

49 Moreover, if people have any basic rights at all, it is plausible that they should have a right against severe poverty. Rights are supposed to provide very stringent protections of individuals' basic interests or autonomy and individuals at least have remedial obligations to protect these rights in cases of institutional failure. If this is so, since the argument with which this paper started suggests that individuals can help protect basic rights by purchasing Fair Trade certified goods, there may be very demanding obligation to do so. See: James Nickel, *Making Sense of Human Rights*. Second Edition (New York: Wiley, 2007); Hassoun (2011).

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Conclusion

There are many reasons to object to arguments for an obligation to purchase Fair Trade certified goods, but at least some of the most promising objections fail once one recognizes that the obligations they establish are conditional. They depend on features of our non-ideal world – like the fact that people are not able meet their basic needs and, collectively, we are not doing what we need to do to alleviate poverty. [50]

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the global justice network

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